



## \* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment Reserved on: 18th December, 2024

Judgment Delivered on: 08th January, 2025

+ <u>CS(COMM) 721/2024 with I.A. 37456/2024, I.A. 40948/2024 and I.A. 42795/2024</u>

FMI LIMITED .....Plaintiff

Through: Mr. J. Sai Deepak, Senior Advocate

with Mr. N.K. Bhardwaj, Mr. Bikash Ghorai, Mr. Neeraj Bhardwaj, Mr. Rahul Maratha, Ms. V. Awasthi and Mr. Luv Virmani, Advocates.

versus

MIDAS TOUCH METALLOYS PVT. LTD.

....Defendant

Through: Mr. C.M. Lall, Senior Advocate with

Mr. Kapil Midha, Mr. Garv Singh, Ms. Samiksha Gupta and Ms. Muskan

Garg, Advocates.

**CORAM:** 

HON'BLE MR. JUSTICE AMIT BANSAL

## **JUDGMENT**

# <u>AMIT BANSAL, J.</u>

I.A. 37456/2024 (under Order XXXIX Rules 1 and 2, CPC), I.A. 40948/2024 (under Order XXXIX Rule 4, CPC) and I.A. 42795/2024 (seeking directions)

1. By this judgment, I propose to dispose of the interlocutory application filed on behalf of the plaintiff under the provisions of Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter 'CPC') and the interlocutory applications filed on behalf of the defendant (i) under Order

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XXXIX Rule 4 of the CPC for vacation of the *ex-parte ad interim* Order dated 28<sup>th</sup> August, 2024 and (*ii*) under Section 151 of the CPC seeking leave to sell the existing stocks of the products bearing the mark 'INDEED' that was lying with the defendant.

## CASE SET UP IN THE PLAINT

- 2. The case set up by the plaintiff in the plaint is as under:
- 2.1 The plaintiff is the largest manufacturer of measuring tapes, spirit levels and measuring wheels in the Indian sub-continent and is well-established in over 60 countries.
- 2.2 The plaintiff dates back to the year 1950, when its predecessor started manufacturing metal wired measuring tapes by hand in his garage and sold them from door-to-door. At present, the plaintiff is one of the largest manufacturers of measuring tapes in the world with a production capacity of more than 1,30,000 tapes per day. The plaintiff's product range includes a wide variety of closed reel and open reel measuring tapes ranging in size from 1m to 100m. The plaintiff also started exporting its goods outside India in 1967.
- 2.3 The plaintiff's product portfolio extends beyond linear measurement tools to encompass a wide range of hand tools, precision measuring tools, digital measuring tools and power tool accessories. In the year 2023, the plaintiff's brand 'FREEMANS' attained recognition as a coveted SUPERBRAND with its products available in more than 60 countries worldwide.
- 2.4 With the view to establish a distinct identity within the Indian market, the plaintiff honestly and arbitrarily adopted the unique and distinctive mark

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'INDI' in the year 2015. The details of the plaintiff's trade mark registrations pertaining to the trade mark 'INDI' and its variants, which are valid and subsisting, are extracted below:

S.No.	Trade Mark	Class	Registration No.	Status
1.	INDI	9	3043056	Registered
2.	INDI 16	9	3043057	Registered
3.	INDi-13	9	3569353	Registered
4.	INDi - 19	9	3569354	Registered
5.	INDi-19	9	3569355	Registered
6.	INDi – 19	9	3569356	Registered
7.	IND -16	9	3569357	Registered
8.	INDi	9	3569358	Registered

- 2.5 The plaintiff has been active in advertising and has a prominent presence over various e-commerce websites including but not limited to Amazon, IndiaMart, etc. The plaintiff's sales figures for the financial years 2022-23, 2023-24 and 2024-25 (till 30<sup>th</sup> June, 2024) for the mark 'INDI' and its variants were Rs.67,85,28,164/-, Rs.76,63,31,554/- and Rs.19,67,25,782/-respectively.
- 2.6 The defendant is involved in an identical business as that of the plaintiff, *i.e.*, manufacturing of measuring tapes, measuring instruments and hand tools. In July 2024, it came to the knowledge of the plaintiff that the

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defendant has launched a range of measuring tapes under a similar trade mark, *i.e.*, 'INDEED' bearing an identical trade dress.

3. Aggrieved by the aforesaid, the present suit has been filed.

# **PROCEEDINGS IN THE SUIT**

- 4. Summons in the present suit were issued on 28<sup>th</sup> August, 2024. On the same date, an *ex-parte ad interim* injunction was granted in favour of the plaintiff, restraining the defendant from using the impugned mark 'INDEED' or any other word/ label which may be phonetically/ deceptively/ structurally similar to the plaintiff's registered trade mark 'INDI', its variants and its trade dress in relation to the impugned goods, *i.e.*, measuring tapes.
- 5. Upon being served, an application, I.A. 40948/2024, was moved on behalf of the defendant under Order XXXIX Rule 4 of the CPC seeking vacation of *ex-parte ad interim* injunction passed by this Court on 28<sup>th</sup> August, 2024. Notice in the aforesaid application was issued on 30<sup>th</sup> September, 2024.
- 6. Subsequently, an application, I.A. 42795/2024, was moved by the defendant seeking permission of the Court to sell the stocks of the products bearing the mark 'INDEED' that was lying with the defendant. Notice in the aforesaid application was issued on 21<sup>st</sup> October, 2024.
- 7. Pleadings in the aforesaid applications were completed, arguments were heard on behalf of the counsel on 3<sup>rd</sup> December, 2024 and 18<sup>th</sup> December, 2024, when the judgment was reserved.

# SUBMISSIONS MADE ON BEHALF OF THE PLAINTIFF

- 8. Mr. J. Sai Deepak, senior counsel appearing on behalf of the plaintiff, has made the following submissions:
- 8.1. The plaintiff adopted the mark 'INDI' in the year 2015 and has been

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using it in relation to measuring tapes since then. The plaintiff has acquired immense goodwill and reputation in respect of the mark 'INDI'.

- 8.2. The plaintiff does not claim any exclusivity over the trade dress / colour combination of 'blue and white' used in relation to its goods under the mark 'INDI'.
- 8.3. The defendant's use of the 'blue and white' colour combination in relation to the impugned goods is, however, relevant as the defendant has used the said colour combination along with a deceptively similar mark 'INDEED'.
- 8.4. The defendant had been selling its products under the mark 'CUBIT' and it has not been able to provide any justifiable reason for the adoption of the mark 'INDEED' as well as for changing the colour combination used for its measuring tapes from 'yellow and black' to 'blue and white'.
- 8.5. The defendant's trade mark registrations for the mark 'INDEED' in relation to goods / services falling in others classes are of no relevance for the purposes of the present suit.

# SUBMISSIONS MADE ON BEHALF OF THE DEFENDANT

- 9. Mr. C.M. Lall, senior counsel appearing on behalf of the defendant, has made the following submissions:
- 9.1. The plaintiff has played fraud upon the Court to obtain an *ex-parte ad interim* injunction by misrepresenting and suppressing the following material facts:
  - 9.1.1. Beside registration in Class 9, the defendant is the registered proprietor of the mark 'INDEED' in classes 7 and 8 as well.
  - 9.1.2. The plaintiff's application for the mark 'INDI' in Class 8, which is subsequent to the defendant's application in the same class,

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- stands opposed by a third-party and is pending adjudication.
- 9.1.3. The examination reports issued by the Trade Marks Registry in respect of the plaintiff's applications for the 'INDI' marks listed in paragraph no.14 of the plaint and the plaintiff's replies thereto have been deliberately concealed by the plaintiff.
- 9.1.4 The emphasis in the plaint was with regard to the similarity between the trade dress and colour combination. The main ground for granting *ex-parte ad interim* injunction in favour of the plaintiff was based on the similarity of 'blue and white' colour combination. However, later in its reply, the plaintiff has stated that it does not claim exclusivity on the colour combination of 'blue and white'. Thus, the plaintiff is taking inconsistent stands.
- 9.2. Even on merits, the plaintiff does not have a *prima facie* case in its favour for grant of interim injunction:
  - 9.2.1. Since the defendant is the registered proprietor of the mark 'INDEED', an action for infringement of trade mark cannot lie.
  - 9.2.2. The defendant has never used the impugned mark 'INDEED' in isolation, but with its source identifiers 'Midas Touch' and/ or 'SCOTTS'. Therefore, there cannot be a case of passing off. Reliance in this regard is placed on the judgement of the Supreme Court in the case of *Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories*<sup>1</sup>.
  - 9.2.3. The defendant's mark 'INDEED' is entirely distinct and, in

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<sup>&</sup>lt;sup>1</sup> 1965 SCR (1) 737





- particular, the manner, font and style of using the mark 'INDEED' by the defendant is completely different from that of the plaintiff.
- 9.2.4. The plaintiff cannot claim any exclusivity over the 'blue and white' colour combination in relation to measuring tapes. The defendant has already been using the said colour combination for selling its measuring tapes under various other marks for over six years.
- 9.2.5. The plaintiff cannot claim any right over the mark 'INDI', which is a shortened form for India, and there exist prior registrations for the marks INDI/ INDY/ INDE/ INDE+ in Class 9 in the Register of Trade Marks.

# **ANALYSIS AND FINDINGS**

10. I have perused the material on record and heard the submissions made on behalf of the parties.

## **MISREPRESENTATION AND SUPPRESSION**

- 11. To begin with, I will deal with the contentions of the defendant with regard to the suppression and concealment of facts as well as misrepresentation.
- 12. Mr. Lall has taken me to various portions of the plaint and the application for interim injunction to contend that the case set up by the plaintiff was based not only on infringement of trade mark 'INDI' and passing off, but also on the defendant using the same trade dress as that used by the plaintiff.
- 13. *Per contra*, Mr. Sai Deepak contends that a reading of the plaint would show that the case set up by the plaintiff is entirely based on infringement of

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registered trademarks of the plaintiff and passing off and reference to trade dress is only in support of the claim for passing off.

- 14. I have examined the plaint in detail. A reading of the plaint as a whole reveals that the case set up by the plaintiff is entirely based on the trade mark registrations in its favour for the mark 'INDI' and other INDI-formative marks in Class 9, its prior use of the said marks and the goodwill attained on account of extensive and continuous user.
- 15. In paragraphs nos.14 to 20 of the plaint, the plaintiff has detailed the various trade mark registrations granted in favour of the plaintiff for the mark 'INDI' and its variants and the common law rights accruing in favour of the plaintiff on account of extensive and continuous user of the mark 'INDI' and other INDI-formative marks. In paragraph no.18, the plaintiff has given the sales figures of the measuring tapes sold by it under the mark 'INDI' and other INDI-formative marks from the financial year 2022-23 to 30<sup>th</sup> June, 2024. The combined sales for the said period are almost to the tune of Rs. 165 crores.
- 16. Notably, there is no reference in the aforementioned paragraphs in respect of the trade dress of the plaintiff or the colour combination used by the plaintiff.
- 17. A perusal of the prayers made in the plaint also clearly demonstrates that the plaintiff seeks a relief of permanent injunction against the defendant on account of the defendant using the impugned mark 'INDEED' which infringes the registered trademarks of the plaintiff and also results in the defendant passing off its goods as those of the plaintiff.
- 18. The defendant relies on paragraph no.31 of the plaint, where a comparison of the respective trade dress of the plaintiff and the defendant has been made

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along with their respective trademarks 'INDI' and 'INDEED'. The defendant has also placed reliance on paragraph no.31(ii) of the plaint in support of its contention that the case set up by the plaintiff was also based on the similarity of colour combination of 'blue and white' used both by the defendant and the plaintiff. Since much reliance has been placed on behalf of the defendant in the aforesaid paragraph, it is deemed expedient to set out the said paragraph below:

"(ii) It is pertinent to mention that the Plaintiff's measuring tapes bearing its registered trademark "INDI" comprises the colour combination of Blue and White (as mentioned in the table above). It is submitted that the Defendant not only malafidely adopted a phonetically/ deceptively/ confusingly/ structurally similar trademark but intentionally chose a trade dress bearing an identical colour combination of blue and white as that of the Plaintiff. It is submitted that this malafide adoption of Blue and White colour combination by the Defendant will most likely evoke strong associations between its impugned goods and the Plaintiffs goods especially when the Plaintiff has a history of using this particular colour scheme for many of its measuring tapes bearing the registered trademark "INDI". Further, as the goods of the Plaintiff and the Defendant are highly probable to be kept side by side in a shop, being identical goods, the said confusion may get aggravated resulting into undermining the integrity of the Plaintiff's brand, leading to loss of sales and damage to the hard earned goodwill."

[Emphasis is mine]

19. A perusal of the paragraph extracted above shows that the plaintiff has submitted that there is a similarity between the trade dress bearing identical colour combination of 'blue and white', however, this was in conjunction with the claim that the mark 'INDEED' used by the defendant is deceptively similar to the plaintiff's mark 'INDI'. It is clear from a holistic reading of the entire paragraph no.31 along with other paragraphs of the plaint and the prayers made therein that the emphasis in the plaint is to seek relief against the defendant on the basis of infringement and passing off by the defendant

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on account of using the impugned trade mark 'INDEED', which is phonetically and structurally similar to the plaintiff's mark 'INDI'. It is only in support of its claim for passing off, the plaintiff has highlighted the fact that the defendant has adopted not only a deceptively similar trade mark, but has also used the same colour combination / trade dress as that used by the plaintiff.

- 20. Mr. Sai Deepak submits that even during the execution of the Local Commission, the only goods that were seized at the premises of the defendant were those bearing the impugned mark 'INDEED' and not the ones bearing a colour combination of 'blue and white'. This fact is borne out from the report of the Local Commissioner [please see paragraph no.12 of the report of the Local Commissioner Mr. Siddharth Sharma, Advocate dated 27<sup>th</sup> September, 2024].
- 21. Therefore, it cannot be said that the stand taken by the plaintiff in its reply to the I.A. 40948/2024 that it does not claim exclusivity over the colour combination of 'blue and white', is contrary to the case set up in the plaint.
- 22. As regards the other ground regarding suppression that the plaintiff has not disclosed the defendant's registrations for the mark 'INDEED' in classes 7 and 8, it has correctly been pointed out by the learned counsel for the plaintiff that the registrations obtained by the defendant in classes 7 and 8 were totally irrelevant to the case set up in the plaint. The case was filed by the plaintiff against the defendant using the impugned mark in respect of the measuring tapes, which admittedly fall in Class 9. The plaintiff has duly disclosed the registration granted to the defendant in Class 9 in respect of the mark 'INDEED'. The registrations of the defendant in classes 7 and 8 are

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therefore not relevant for the purposes of the suit.

23. In view of the discussion above, I do not find any merit in the submission made on behalf of the defendant with regard to the suppression and misrepresentation made by the plaintiff.

#### **ON MERITS**

- 24. The present suit has been filed by the plaintiff for infringement as well as passing off. Under Section 27(2) of the Trade Marks Act, 1999, an action on the basis of passing off is maintainable *dehors* the registration granted under the Act. A reference may be made to the judgment of the Supreme Court in *S. Syed Mohideen v. P. Sulochana Bai*<sup>2</sup>, wherein the Supreme Court has held that the rights of the prior user are superior to the rights of a subsequent user emerging out of registration. It was also observed that the rights of the prior user remain unaffected by the registration granted under the Act. The observations of the Supreme Court in paragraph no.31 are set out below:
  - "31. Secondly, there are other additional reasonings as to why the passing off rights are considered to be superior than that of registration rights.
    - 31.1. Traditionally, passing off in common law is considered to be a right for protection of goodwill in the business against misrepresentation caused in the course of trade and for prevention of resultant damage on account of the said misrepresentation. The three ingredients of passing off are goodwill, misrepresentation and damage. These ingredients are considered to be classical trinity under the law of passing off as per the speech of Lord Oliver laid down in Reckitt & Colman Products Ltd. v. Borden Inc. [Reckitt & Colman Products Ltd. v. Borden Inc., (1990) 1 WLR 491: (1990) 1 All ER 873 (HL)] which is more popularly known as "Jif Lemon" case wherein Lord Oliver reduced the five guidelines laid out by Lord Diplock in Erven Warnink Besloten Vennootschap v. J. Ltd. [Erven Townend & Sons (Hull) Warnink Vennootschap v. J. Townend & Sons (Hull) Ltd., 1979 AC 731 at p. 742 : (1979) 3 WLR 68 : (1979) 2 All ER 927 (HL)] ("the Advocaat case") to three elements: (1) goodwill owned by a trader, (2)

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<sup>&</sup>lt;sup>2</sup> (2016) 2 SCC 683





misrepresentation, and (3) damage to goodwill. Thus, the passing off action is essentially an action in deceit where the common law rule is that no person is entitled to carry on his or her business on pretext that the said business is of that of another. This Court has given its imprimatur to the above principle in Laxmikant V. Patel v. Chetanbhai Shah [Laxmikant V. Patel v. Chetanbhai Shah, (2002) 3 SCC 65].

31.2. The applicability of the said principle can be seen as to which proprietor has generated the goodwill by way of use of the mark/name in the business. The use of the mark/carrying on business under the name confers the rights in favour of the person and generates goodwill in the market. Accordingly, the latter user of the mark/name or in the business cannot misrepresent his business as that of business of the prior right holder. That is the reason why essentially the prior user is considered to be superior than that of any other rights. Consequently, the examination of rights in common law which are based on goodwill, misrepresentation and damage are independent to that of registered rights. The mere fact that both prior user and subsequent user are registered proprietors are irrelevant for the purposes of examining who generated the goodwill first in the market and whether the latter user is causing misrepresentation in the course of trade and damaging the goodwill and reputation of the prior right holder/former user. That is the additional reasoning that the statutory rights must pave the way for common law rights of passing off."

[Emphasis is mine]

- 25. The principle of law that emerges from the aforesaid decision is that the remedy of passing off is broader in its ambit than infringement. The three elements which are necessary to make out a case of passing off are goodwill and reputation attained by the plaintiff, misrepresentation by the defendant and the damage caused to the plaintiff's goodwill and reputation by the acts of the defendant. The fact that both the 'prior user' and the 'subsequent user' are registered proprietors shall be irrelevant for the purposes of passing off action.
- 26. The judgement in S. Syed Mohideen (supra) was followed recently by

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the Division Bench of this Court in Wipro Enterprises Private Limited v. Himalaya Wellness Company and Ors.<sup>3</sup>.

- 27. In *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*<sup>4</sup>, the Supreme Court laid down the following tests for determining deceptive similarity between the competing marks. Paragraph no.35 of the aforesaid judgment is set out below:
  - "35. Broadly stated, in an action for passing-off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors are to be considered:
    - (a) The nature of the marks i.e. whether the marks are word marks or label marks or composite marks i.e. both words and label works.
    - (b) The degree of resemblance between the marks, phonetically similar and hence similar in idea.
    - (c) The nature of the goods in respect of which they are used as trade marks.
    - (d) The similarity in the nature, character and performance of the goods of the rival traders.
    - (e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods.
    - (f) The mode of purchasing the goods or placing orders for the goods.
    - (g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks."

[Emphasis is mine]

- 28. Applying the principles of passing off as set out in the aforesaid precedents to the facts of the present case, in my *prima facie* view, the plaintiff has established a case of passing off, for the reasons set out hereinafter.
- 29. It is an undisputed position that both the plaintiff's mark 'INDI' and the defendant's mark 'INDEED' are registered in Class 9 and both the plaintiff and the defendant use their respective marks in respect of identical

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<sup>&</sup>lt;sup>3</sup> 2024 SCC OnLine Del 6859

<sup>4 (2001) 5</sup> SCC 73





goods, *i.e.*, measuring tapes.

- 30. In my opinion, the impugned mark 'INDEED' used by the defendant is structurally similar to the plaintiff's mark 'INDI'. There is also a phonetic similarity between 'INDEED' and 'INDI' as both 'EE' in 'INDEED' and 'I' in 'INDI' produce similar sound. The only difference is the use of the letter 'D' in the end of the impugned mark which, in my opinion, would not make any significant difference. Even with the addition of the letter 'D', the marks of the plaintiff and the defendant would have phonetic and structural similarity.
- 31. It is not disputed that the plaintiff is the earlier adopter of the mark 'INDI'. The defendant applied for registration of the mark 'INDEED' on a 'proposed to be used' basis only on 30<sup>th</sup> November, 2023. It has also been admitted on behalf of the defendant in paragraph no.27 of its application for vacation of the *ex-parte ad interim* injunction, I.A. 37456/2024, that it launched its products under the mark 'INDEED' only in July 2024.
- 32. The plaintiff has also given in the plaint its sales figures supported by a CA Certificate for the financial years 2022-23, 2023-24 and 2024-25 (till 30<sup>th</sup> June, 2024) which show that the sales figures of the plaintiff are significant. On the other hand, the defendant has only provided sales figures for the months of July 2024 and August 2024, which are insignificant compared to those of the plaintiff. Clearly, the plaintiff is the senior user of the mark.
- 33. Based on the averments made in the plaint and the documents placed on record, at a *prima facie* stage, the plaintiff has established its goodwill and reputation over the mark 'INDI'.

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- 34. Mr. Sai Deepak has drawn attention of the Court to the fact that the defendant has been selling its measuring tapes under various other marks such as CUBIT, ALCOR, AUTO LOCK and DIGITAPE [please refer to pages 19 to 34 of the documents filed by the plaintiff with the reply to the defendant's application I.A. 42795/2024] and therefore, there was no reason for the defendant to adopt the mark 'INDEED', which is deceptively similar to the plaintiff's mark 'INDI'.
- 35. Based on the aforesaid submission, I enquired from the counsel for the defendant as to what made the defendant adopt the impugned mark 'INDEED'.
- 36. In response, Mr. Lall, drew the attention of the Court to paragraph no.12 of the rejoinder filed by the defendant to I.A. 40948/2024. For ease of convenience, the same is set out below:
  - '12. That the trademark "INDEED" was bonafidely adopted by the Defendant to emphasise upon the commitment of the Defendant in providing superior quality products at affordable prices.'
- 37. In my considered view, the aforesaid paragraph does not offer any satisfactory explanation for the defendant to have adopted the mark 'INDEED'. It is not the case of the defendant that it was unaware of the plaintiff selling its products under the mark 'INDI'. The lack of *bona fide* on the part of the defendant is also demonstrated from the fact that it has adopted an identical colour combination of 'blue and white', as used by the plaintiff. Pertinently, most of the measuring tapes of the defendant selling under different marks do not bear the 'blue and white' colour combination.
- 38. Mr. Sai Deepak concedes that the plaintiff cannot have any exclusivity with regard to 'blue and white' colour combination. However, when the 'blue

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and white' colour combination is seen in conjunction with the impugned mark used by the defendant, it appears that the defendant was attempting to pass off its goods as those of the plaintiff.

- 39. In order to come as close as possible to the plaintiff, the defendant has also copied the detailing of the ruler in its impugned mark 'INDEED', which further results into a visual similarity between the competing marks, given that the respective goods of the parties are likely to be displayed side by side in stores.
- 40. Therefore, on a *prima facie* view, the adoption of the mark 'INDEED' by the defendant as well as the colour combination of 'blue and white' was not *bona fide*.
- 41. On behalf of the defendant, reliance has also been placed on the prosecution history and the registration of 'INDI' / INDI-formative marks by the plaintiff in support of its contention that the plaintiff cannot have exclusivity over the word 'INDI' which is a short form for 'India'. Therefore, it is contended that the plaintiff did not deliberately file the documents evidencing its prosecution history.
- 42. I am unable to accept the submission of the defendant that the mark 'INDI' used by the plaintiff is shortened version for 'India' or 'Indian'. In support of this contention, the defendant has referred to the results generated through artificial intelligence alone, and no reliance can be placed on the same.
- 43. I have also examined the prosecution history in respect of the plaintiff's 'INDI' and INDI-formative marks [please refer to documents no.1 to 7 filed by the defendant along with its application for vacation of the ex-parte ad

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interim injunction].

- 44. As rightly pointed out by the counsel for the plaintiff, the marks cited in the examination report were third-party marks and do not include the defendant's impugned mark. In its replies to the examination reports, a consistent stand has been taken by the plaintiff that the goods in respect of which the plaintiff is seeking registration are totally different from the goods of marks that were cited in the examination reports.
- 45. During the course of the hearing, it was also contended on behalf of the defendant that it uses its mark 'SCOTTS' in conjunction with the impugned mark 'INDEED' and the addition of the word 'SCOTTS' distinguishes the impugned mark from the plaintiff's mark 'INDI'.
- 46. It is an admitted position that the defendant is using the trade mark 'INDEED' in respect of its goods. In fact, the defendant itself has applied for and obtained registration of the mark 'INDEED' on a stand-alone basis in various classes. Therefore, it does not lie in the mouth of the defendant to contend that the mark 'INDEED' should not be considered on a stand-alone basis.
- 47. At the highest, the defendant's case is that it is using the mark 'INDEED' as a sub-brand. It is, however, a settled position of law that whether a mark is used as a brand or a sub-brand is immaterial as the Trade Marks Act, 1999 does not recognize a sub-brand. Reference in this regard may be made to the judgment of Single Bench in the case of *V Guard Industries Ltd v. Crompton Greaves Consumer Electricals Ltd*<sup>5</sup>, affirmed by the Division Bench in *Crompton Greaves Consumer Electricals Ltd v. V Guard*

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<sup>&</sup>lt;sup>5</sup> 2022 SCC OnLine Del 1593





### Industries Ltd<sup>6</sup>.

- 48. Therefore, the submission of the defendant that the use of the mark 'SCOTTS' will distinguish the products of the defendant under the mark 'INDEED' from those of the plaintiff under the mark 'INDI' is devoid of merits.
- 49. In view of the discussion above, a *prima facie* case of passing off is made out on behalf of the plaintiff. The competing marks are phonetically, visually and structurally similar and are used by the parties in relation to identical goods having an identical and overlapping trade channels, which is likely to cause confusion and deception among the consumers who are ordinary persons of average intelligence and imperfect recollection.
- 50. The balance of convenience is also in favour of the plaintiff and against the defendant inasmuch as the plaintiff has been using the mark 'INDI' since the year 2015 whereas the defendant has admittedly launched its products under the mark 'INDEED' only in July 2024.
- 51. Further, the use by the defendant of a deceptively similar mark 'INDEED' in relation to its measuring tapes would not only cause irreparable loss, harm and injury to the goodwill and reputation of the plaintiff but is also likely to cause confusion and deception in the market and injury to the public at large.
- 52. Accordingly, the *ex-parte ad interim* order passed on August 28<sup>th</sup>, 2024 is made absolute and the defendant, its proprietors, partners, directors, officers, servants, agents, distributors, dealers, retailers, representatives and anyone acting for and/ or on its behalf is/are restrained from using, selling,

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<sup>&</sup>lt;sup>6</sup> 2024 SCC OnLine Del 1838





soliciting, exporting, displaying, advertising or by any other mode or manner dealing in under the impugned trade mark 'INDEED' and/ or any other mark which may be phonetically/ deceptively/ structurally similar and/ or identical to the plaintiff's mark 'INDI' and its variants in relation to the impugned goods being measuring tapes and/or any other allied/ related/ cognate goods till the final adjudication of the suit. Consequently, I.A. 37456/2024 filed on behalf of the plaintiff under Order XXXIX Rules 1 and 2 is allowed and I.A. 40948/2024 filed on behalf of the defendant under Order XXXIX Rule 4 is dismissed.

- 53. As regards I.A. 42795/2024, filed by the defendant seeking release of the infringing goods seized by the Local Commissioner, in view of the discussion above, no grounds are made out by the defendant for the release of the goods bearing the infringing mark 'INDEED'. Accordingly, the application is dismissed.
- 54. Needless to say, any observations made herein are only for the purpose of adjudication of the aforesaid applications and would have no bearing on the final outcome of the suit.

AMIT BANSAL (JUDGE)

JANUARY 08, 2025